

Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended June 30, 2004

	Central Services Fund	Group Hospital Insurance Fund	Group Life Insurance Fund
Cash flows from operations:			
Receipts from customers	\$ 8,227,625	\$ ---	\$ ---
Premiums received	---	52,717,163	2,255,338
Payments to suppliers	(6,276,113)	(2,269,380)	---
Cash payments to employees	(1,819,538)	---	---
Claims paid	---	(46,997,615)	(2,486,951)
Net cash provided by (used in) operating activities	131,974	3,450,168	(231,613)
Cash flows from noncapital financing activities:			
Transfers from other funds	---	---	---
Transfers to other funds	---	(215,387)	---
Net cash provided by (used in) noncapital financing activities	---	(215,387)	---
Cash flows from capital and related financing activities:			
Acquisition of capital assets	(46,229)	---	---
Net cash used in capital and related financing activities	(46,229)	---	---
Cash flow from investing activities:			
Interest and investment earnings	---	---	17,310
Net cash provided by (used in) investing activities	---	---	17,310
Net increase (decrease) in cash and cash equivalents	85,745	3,234,781	(214,303)
Cash and cash equivalents, June 30, 2003	1,028,199	11,054,285	1,524,470
Cash and cash equivalents, June 30, 2004	\$ 1,113,944	\$ 14,289,066	\$ 1,310,167

Tort Liability Fund	Employer Insurance Fund	Total
\$ ---	\$ ---	\$ 8,227,625
68,288	4,160,986	59,201,775
---	---	(8,545,493)
---	---	(1,819,538)
(477,825)	(5,040,737)	(55,003,128)
(409,537)	(879,751)	2,061,241
1,500,000	500,000	2,000,000
---	---	(215,387)
1,500,000	500,000	1,784,613
---	---	(46,229)
---	---	(46,229)
---	---	17,310
---	---	17,310
1,090,463	(379,751)	3,816,935
2,299,003	2,627,294	18,533,251
\$ 3,389,466	\$ 2,247,543	\$ 22,350,186
		(continued)

Shelby County, Tennessee

Internal Service Funds Combining Statement of Cash Flows (continued) For the Year Ended June 30, 2004

	Central Services Fund	Group Hospital Insurance Fund	Group Life Insurance Fund
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating Income (loss)	\$ 554,396	\$ 4,639,544	\$ (49,347)
Adjustments:			
Depreciation	137,195	---	---
Changes in assets and liabilities:			
Accounts payable and accrued liabilities	(384,992)	600,124	(229,072)
Sick and annual leave	(91,043)	---	---
Deferred revenue	---	58,266	24,790
Due from other governmental entities	(166,513)	---	---
Insurance claims payable	---	(1,905,274)	---
Deposits	---	228,113	---
Accounts receivable and accrued revenues	107,473	(170,605)	22,016
Inventories	(24,542)	---	---
Total adjustments	(422,422)	(1,189,376)	(182,266)
Net cash provided by (used in) operating activities	\$ 131,974	\$ 3,450,168	\$ (231,613)

<u>Tort Liability Fund</u>	<u>Employer Insurance Fund</u>	<u>Total</u>
<u>\$ (1,670,131)</u>	<u>\$ 1,974,876</u>	<u>\$ 5,449,338</u>
---	---	137,195
13,457	(2,663,984)	(2,664,467)
---	---	(91,043)
---	---	83,056
---	---	(166,513)
1,267,137	(104,818)	(742,955)
---	---	228,113
(20,000)	(85,825)	(146,941)
---	---	(24,542)
<u>1,260,594</u>	<u>(2,854,627)</u>	<u>(3,388,097)</u>
<u><u>\$ (409,537)</u></u>	<u><u>\$ (879,751)</u></u>	<u><u>\$ 2,061,241</u></u>